35th ANNUAL REPORT 2016

DADABHOY GROUP

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

Vision

To be recognized and accepted as leader in the country for manufacturing of state of the Art Hi-tech Super-durable construction materials

Mission

- To have a diversified customer base
- To serve the market through innovation & creations
- To offer a high rate of return to Shareholders
- To create a good work environment for our employees and faster team work & career development
- To operate ethically
- To serve the country to achieve the national goals

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muhammad Hussain Dadabhoy	Chairman
Mr. Muhammad Amin Dadabhoy	
Mr. Fazal Karim Dadabhoy	Chief Executive
Mrs. Humaira Dadabhoy	
Mrs.Yasmeen Dadabhoy	
Mrs. Noor Bakht Dadabhoy	
Mr. Danish Dadabhoy	

CHIEF FINANCIAL OFFICER
Mr. Muhammad Rashid

COMPANY SECRETARY
Mr. Muhammad Rashid.

AUDITORS
M/s Haroon Zakaria & Company, Chartered Accountants

LEGAL ADVISOR
Mr. Salim Thepdawala

BANKER
Summit Bank Limited

REGISTERED OFFICE
Noor Centre Office NO.4, 2nd Floor
Plot No.30-C Ittehad Lane 12
Phase VII D.O.H.A., Karachi.
Tel : 021-35312007-9
URL : www.mhdadabhoy.com

SHARE REGISTRAR
M/s. Technology Trade (Pvt) Ltd.
Dagia House, 241-C, Block 2, P.E.C.H.S. Off
Shahrah-e-Quaideen, Karachi.

FACTORY
Nooriabad Deh Kalu Kohar,
District Dadu (Sindh)

HUMAN RESOURCE & REMUNERATION COMMITTEE
Mr. Syed Nasim Ahmed
Mr. Syed Amjad Raza Rizvi
Mr. Muhammad Amin Dadabhoy

AUDIT COMMITTEE

Mr. Muhammad Hussain Dadabhoy	Chairman
Mr. Fazal Karim Dadabhoy	Member
Mr. Muhammad Amin Dadabhoy	Member

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 35th Annual General Meeting of Dadabhoy Construction Technology Limited will be held on Tuesday the January 24th 2017 at 04:00 p.m. at Jinnah Club, Jinnah Co-operative Housing Society behind KESC Office, Tipu Sultan Road Karachi, to transact the following business:

ORDINARY BUSINESS:

1. To read and confirm the minutes of 34th Annual General Meeting of the company held on October 10th 2015.

2. To receive, consider and adopt the Audited Accounts of the company for the year ended June 30, 2016 together with Directors' and Auditors' Reports thereon.

3. To appoint auditor for the year ending June 30, 2017 and fix their remuneration.

4. To transact any other business with the permission of the Chair.

Karachi.	Muhammad Rashid
January 02nd, 2017	Company Secretary

Note

1. The Share Transfer Books of the company will remain closed from 18th January, 2017 to 24th January, 2017 (both days inclusive).

2. Any member of the company entitled to attend and vote may appoint another member as his / her proxy to attend and vote on his / her behalf.

3. Proxies must be received at the registered office of the company not less than 48 hours before the meeting.

DIRECTORS' REPORT
In the name of Allah the Most Merciful and the Most Benevolent

The directors of your company are pleased to present the Annual report and the audited financial statements for the year ended June 30, 2016 together with the auditor's report thereon.

OPERATING AND FINANCIAL RESULTS

The Comparative financial results of the company are summarized below:-

	June 30, 2016	*June 30 2015*
	--- (Rupees in '000) ---	
Sales-Net	**331**	824
Cost of sales	**(1,267)**	(761)
Gross (loss) / profit	**(936)**	64
Administrative Expenses	**(87)**	(72)
Selling and distribution costs	**(10)**	(6)
Finance Cost	**(1)**	(1)
Operating loss	**(1033)**	(16)
Other operating expenses	**(947)**	(104)
Other Income	**949**	-
Loss before Taxation	**(1031)**	(120)
Taxation	**222**	125
(Loss) / profit after taxation	**(809)**	5
(Loss) / profit per share - basic and diluted	**(0.348)**	0.002

The operations of the Company are closed since financial year 2009 due to which the Company is facing financial and operational difficulties and is unable to discharge its liabilities in due course of business. The operations of the Company hkare directly dependent upon the operations of its associated company, Dadabhoy Cement Industries Limited (DCIL), which is the major customer of the Company and is facing financial and operational problems and its operations are also closed.The Company is reporting nil sales since then and is totally dependent on the financial support of its Directors.

During the current year, DCIL has entered into an agreement with a renowned Chinese firm, which has taken interest in the refurbishment and "Operations and Maintenance (O & M)" of the existing plant of DCIL and for setting up a new cement plant with the capacity of 5,000 tons per day. Necessary financing for the project will be arranged by the firm, on behalf of DCIL, from Chinese financial institutions for which the negotiations are at the final stages.

OBSERVATION OF THE AUDITORS

As regards the material uncertainty to continue as a going concern, the company is trying to recover from the current position to agreement with a renowned Chinese firm, which has taken interest in the refurbishment and "Operations and Maintenance (O & M)" of the existing plant of DCIL and for setting up a new cement plant with the capacity of 5,000 tons per day. Necessary financing for the project will be arranged by the firm, on behalf of DCIL, from Chinese financial institutions for which the negotiations are at the final stages and the management do not see that there is no significant doubt to continue as going concern.

The auditors have also observed the non-compliances with the requirements of the Code as reflected in the paragraph references where these are stated in the Statement of Compliance as we stated above the company is in process of revival and can assure the future compliance with the requirements of the Code.

AUDITORS

The present Auditors M/s. Haroon Zakaria & Company, Chartered Accountants, retired and being eligible have offered themselves for reappointment. Audit committee has recommended the reappointment.

PATTERN OF SHARES HOLDING

Pattern of share holding as at June 30, 2016 required under the reporting framework is annexed.

FUTURE PROSPECTS

The Board of directors and its management team are fully determined to move the Company from present situation of uncertainties and for this a strategic plan has been developed and you will see positive improvements in the foreseeable future.

EARNING PER SHARE

The (Loss)/profit per share of the company as at 2016 stood at (0.348) [2015: 0.002)

STATEMENT ON CORPORATE AND FINANCIAL FRAME WORK

The Directors of the Company are well aware of their responsibilities under the Code of Corporate Governance incorporated in the Listing Regulations of the stock exchange where the Company is listed. All necessary steps are being taken to ensure Good Corporate Governance in the Company as required by the Code.

a) The Financial Statements prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

b) Proper books of account of the Company have been maintained in the manner required under the Companies Ordinance 1984.

c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

d) International Accounting and Financial reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

e) There is no internal audit function in the Company.

f) We have an Audit Committee, majority of the members of which are amongst executive directors and the chairman is a non-executive director.

g) As already stated above the company is trying to recover from the current position to agreement with a renowned Chinese firm, which has taken interest in the refurbishment and "Operations and Maintenance (O & M)" of the existing plant of DCIL and for setting up a new cement plant with the capacity of 5,000 tons per day. Necessary financing for the project will be arranged by the firm, on behalf of DCIL, from Chinese financial institutions for which the negotiations are at the final stages and the management do not see that there is no significant doubt to continue as going concern.

h) The Company operates an unfunded gratuity scheme for its employees and an adequate liability for that has been provided in the accounts and since it is not funded so there are no investments etc.

i) Key operating and financial data for last six years is annexed with financial statement.

j) The Company has neither declared dividend nor issued bonus shares for the current financial year because of operating and accumulated losses incurred.

k) The statutory payments on account of taxes, duties, levies and charges have been paid as per respective laws.

l) The Company does not have any schemes for its employees.

m) During the year 4 meetings of the Board of Directors and 4 audit committee meetings were held separately. Attendance by each Director and member of the company is annexed.

n) The Company has no overdue of any loan.

o) Directors have not attended any training program during the year but will obtain the required certification within the stipulated time.

p) There was no trading in shares of the Company by its directors, CEO, CFO, Company Secretary and their spouses and minor children.

MEETINGS OF THE BOARD OF DIRECTORS

During the year four meetings of Board of directors were held. Attendance by each director is as follows.

Name of Directors	*No. of Meetings Attended*
Mr. Muhammad Hussain Dadabhoy	4
Mr. Muhammad Amin Dadabhoy	4
Mr. Fazal Karim Dadabhoy	4
Mrs. Humaira Dadabhoy	4
Mrs. Yasmeen Dadabhoy	4
Mrs. Noor Bakht Dadabhoy	4
Mr. Danish Dadabhoy	4

MEETINGS OF THE AUDIT COMMITTEE

During the year four meetings of Audit Committee were held. Attendance by each director is as follows.

Name of Directors	*No. of Meetings Attended*
Mr. Muhammad Hussain Dadabhoy	4
Mr. Muhammad Amin Dadabhoy	4
Mr. Fazal Karim Dadabhoy	4

ACKNOWLEDGEMENT

Your Directors are pleased to record their appreciation for the continued dedications, commitment and loyalty of the employees of your company.

Your Directors are also thankful to all stakeholders for the loyalty they have shown during our difficult period.

Your directors also appreciate the assistance and continued support of the various Government Departments, Bankers, Customers and Shareholders.

For and On behalf of the Board

Fazal Karim Dadabhoy
Chief executive

Karachi: January 2, 2017

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE
DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
FOR THE YEAR ENDED JUNE 30, 2016

This statement is being presented to comply with the requirements of Code of Corporate Governance (the Code) contained in the Regulations of Pakistan Stock Exchange Limited, for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors (the Board). At present the Board includes:

Category	Names
Non-Executive Director	Mr. Muhammad Hussain Dadabhoy
Executive Directors	Mr. Amin Dadabhoy
	Mr. Fazal Karim Dadabhoy
	Mr. Danish Dadabhoy
	Mrs. Humaira Dadabhoy
	Mrs. Yasmeen Dadabhoy
	Mrs. Noor Bakht Dadabhoy

The Company does not have any independent directors on its board at present.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.

3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loans to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as defaulter by that stock exchange.

4. No casual vacancy occurred on the Board during the year.

5. The Company has prepared a 'Code of Conduct' and has ensured that the appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board.

8. The meetings of the Board were presided over by the Chairman. Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. None of the Directors have done the prescribed training program. The Directors will be trained within the prescribed time period. All the Directors on the Board are fully conversant with their duties and responsibilities.

10. There has been no change in the position of Chief Financial Officer and the Company Secretory. While no appointment of head of internal audit has been made due to operational inactivity of the Company.

11. The Directors' report for the year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) before approval of the Board.

13. The Directors, CEO, and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

14. The Company has complied with all the corporate and financial reporting requirements of Code.

15. The Board has formed an Audit Committee which comprises of three members, of whom all are executive directors and chairman is a non-executive director.

DADABHOY GROUP

16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.

17. The Board has formed a Human Resource and Remuneration Committee. It comprises of three members, of whom one is an executive director while remaining members are not the directors of the Company.

18. Due to operational inactivity of the Company, the Board has not formed any internal audit function during the year.

19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the ICAP.

20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The ‘closed period’, prior to the announcement of interim and final results, and business decisions, which may materially affect the market price of the Company’s securities, was determined and intimated to directors, employees and stock exchange.

22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.

23. We confirm that all other material principles enshrined in the Code have been complied with except for the following, towards which reasonable progress is being made by the Company to seek compliance by the end of next accounting year:

    i. Executive directors of the Company are more than one-third of the elected directors.
    ii. Half year review for the period ended December 31, 2015 was conducted by a non-QCR rated firm of Chartered Accountants.

Karachi
Dated:

Chief Executive Officer

FINANCIAL REVIEW OF SIX YEARS

Particulars	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**
ASSETS EMPLOYED				RUPEES IN '000'		
Non Current Assets	4,035	4,417	4,769	5,030	5,308	5,555
Current Assets	16	1,418	1,295	1,187	1,236	3,006
Total Assets Employed	**4,051**	**5,835**	**6,064**	**6,217**	**6,544**	**8,561**
FINANCED BY						
Share Holder Equity	(41,577)	(40,768)	(39,234)	(39,323)	(41,161)	(39,375)
Long Term Liability	1,191	1,433	20	20	20	20
Current Liabilities	44,437	45,277	45,280	45,520	47,685	47,916
Total Equity Employed	**4,051**	**5,942**	**6,066**	**6,217**	**6,544**	**8,561**
TURNOVER & PROFIT						
Turnover (net)	331	824	3,038	4,172	4,189	4,464
Profit / (Loss) before taxation	(1,031)	120	87	1,838	(1,786)	5,581
Profit / (Loss) after taxation	(809,121)	120	87	1,838	(1,786)	5,536
Accumulated Loss	(64,805)	(63,996)	(62,463)	(62,551)	(64,389)	(62,603)

HAROON ZAKARIA & COMPANY
CHARTERED ACCOUNTANTS

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

A member of
msi Global Alliance
Independent legal & accounting firms

Room M1-M4, Mezzanine Floor,
Progressive Plaza
Plot No. 5 – CL – 10, Civil Lines Quarter,
Beaumont Road, Near Dawood Centre,
Karachi – 75530 PAKISTAN

Phone : +92 21 35674741 – 44
Fax: : +92 21 35674745
E-Mail : info@hzco.com.pk
URL : http://www.hzco.com.pk

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **DADABHOY CONSTRUCTION TECHNOLOGY LIMITED**, (the Company) for the year ended June 30, 2016 to comply with the Regulations of Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company (the Board). Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirement of the Code. A review is limited primarily to inquiries of the management personnel and review of various documents prepared by the management to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the management's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price or not.

Room M1-M4, Mezzanine Floor,
Progressive Plaza,
Plot No. 5-CL-10, Civil Lines Quarter,
Beaumont Road, Near Dawood Centre,
Karachi-75530 Pakistan.
Phone : +92 21 35674741-44 | Fax: +92 21 35674745
Web: http:www.hzco.com.pk

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2016.

Further, we highlight below instances of non-compliances with the requirements of the Code as reflected in the paragraph references where these are stated in the Statement of Compliance:

Paragraph 1	There is no representation of any independent director on the Board.
Paragraph 10 and 18	There is no internal audit function in the Company.
Paragraph 15	Code prescribes the Chairman of the Audit Committee to be an independent director and other members should be amongst the non-executive directors. While the Company has Audit Committee comprising of executive directors and the chairman is a non-executive director.
Paragraph 17	Human Resource and Remuneration Committee comprises of members not on the board of the Company.
Paragraph 23 (i)	Executive directors of the Company are more than one-third of the elected directors.
Paragraph 23 (ii)	Half year review was conducted by a non-QCR rated Chartered Accountant.

Haroon Zakaria & Co

Haroon Zakaria &Company
Chartered Accountants

Place: Karachi
Dated: 02 JAN 2017

Engagement Partner:
Mohammad Iqbal

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **DADABHOY CONSTRUCTION TECHNOLOGY LIMITED** as at June 30, 2016 and related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) During the current year, the Company has incurred after tax loss amounting to Rs. 0.81 (2015: Rs. 0.01 profit) million rising its accumulated losses to Rs. 64.80 (2015: Rs. 64) million resulting in the negative shareholders' equity to Rs. 41.58 (2015: Rs. 40.77) million. Further, current liabilities of the Company exceed the current assets by Rs. 44.42 (2015: Rs. 43.86) million. The operations of the Company are very slow since financial year 2014 and the Company has been reporting only meager sales since then due to which, it is suffering from continuous losses together with the liquidity issues. The Company is fully dependent upon the financial support of Directors and Sponsors to fulfill its operational and financial obligations.

Room M1-M4, Mezzanine Floor,
Progressive Plaza,
Plot No. 5-CL-10, Civil Lines Quarter,
Beaumont Road, Near Dawood Centre,
Karachi-75530 Pakistan.
Phone : +92 21 35674741-44 | Fax: +92 21 35674745
Web: http:www.hzco.com.pk

These factors indicate the existence of material uncertainty that may cast doubts regarding the Company's ability to continue as a going concern and accordingly, Company may not be able to realize its assets and settle its liabilities at stated amounts in the normal course of business. The financial statements do not disclose this fact. Further, the mitigating factors disclosed by the management in the financial statements in note # 1.2 reflect only initial steps taken by the management for restarting the operational activities of the Company which have not been materialized till the issue of these financial statements.

b) in our opinion, except as stated in paragraph (a) above, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;

c) in our opinion:

i) except for paragraph (a) above, the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with the accounting policies consistently applied;

ii) the expenditure incurred during the year was for the purpose of the Company's business; and

iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.

d) Owing to the significance of the matters stated in paragraph (a) above, in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof do not give a true and fair view of the state of the Company's affairs as at June 30, 2016 and of the loss, its comprehensive loss, its cash flows and changes in equity for the year then ended; and

e) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

As part of our audit of the financial statements for the year ended June 30, 2016, we also audited the adjustment as described in note # 8.1 to the annexed financial statements that is applied to amend the prior period financial statements. In our opinion, such adjustment is appropriate and has been properly applied. We were not engaged to audit, review or apply any procedures to the prior period financial statements of the Company other than with respect to the adjustment mentioned above and, accordingly, we do not express an opinion or any other form of assurance on the prior period financial statements taken as a whole.

The Company is required to convene its annual general meeting (AGM) of the shareholders and lay therein audited financial statements within four months from the close of the year end. The said required AGM and subsequent corporate actions of the financial year ended on June 30, 2016 have been delayed which entails penalties from the regulator. The disclosure and attributable reasons whereof have not been stated in these financial statements.

The financial statements of the Company for the year ended June 30, 2015 were audited by another firm of Chartered Accountants who expressed an unmodified opinion on those statements in their report dated September 11, 2015.

Haroon Zakaria & Co

Haroon Zakaria &Company
Chartered Accountants

Place: Karachi
Dated: 02 JAN 2017

Engagement Partner:
Mohammad Iqbal

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
BALANCE SHEET
AS AT JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees Restated
ASSETS			
Non-Current Assets			
Property and equipment	4	**4,034,597**	4,416,994
Long term security deposits	15	**-**	108,000
		4,034,597	4,524,994
Current Assets			
Stock-in-trade	5	**-**	806,265
Trade debts	6	**-**	106,536
Tax refunds due from government	15	**-**	491,595
Bank balances		**16,470**	13,125
		16,470	1,417,521
Total assets		**4,051,067**	5,942,515
EQUITY AND LIABILITIES			
Authorized Share Capital			
5,000,000 Ordinary shares of Rs. 10 each		**50,000,000**	50,000,000
Issued, subscribed and paid up capital	7	**23,228,000**	23,228,000
Accumulated losses		**(64,804,967)**	(63,995,846)
Shareholders' equity		**(41,576,967)**	(40,767,846)
Non Current Liabilities			
Security deposit from dealers		**-**	20,000
Deferred tax liability	8	**1,191,112**	1,413,438
		1,191,112	1,433,438
Current Liabilities			
Trade and other payables	9	**831,300**	1,690,231
Short term borrowings	10	**43,455,450**	43,436,520
Provision for taxation		**150,172**	150,172
		44,436,922	45,276,923
Contingencies and commitments	11	**-**	-
Total equity and liabilities		**4,051,067**	5,942,515

The annexed notes from 1 to 24 form an integral part of these financial statements.

Chief Executive *Director*

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees Restated
Sales	12	**331,281**	824,469
Cost of sales	13	**(1,267,470)**	(760,552)
Gross (loss) / profit		**(936,189)**	63,917
Administrative expenses	14	**(86,715)**	(72,087)
Selling and distribution costs		**(10,000)**	(6,300)
Bank charges		**(500)**	(1,100)
		(97,215)	(79,487)
Operating loss		**(1,033,404)**	(15,570)
Other operating expenses	15	**(946,974)**	(104,120)
Other income	16	**948,931**	-
Loss before taxation		**(1,031,447)**	(119,690)
Taxation	17	**222,326**	124,886
(Loss) / profit after taxation		**(809,121)**	5,196
(Loss) / profit per share - basic and diluted	18	**(0.348)**	0.002

The annexed notes from 1 to 24 form an integral part of these financial statements.

Chief Executive

Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016

	2016	*2015*
	Rupees	*Rupees*
		Restated
(Loss) / profit after taxation	**(809,121)**	5,196
Other comprehensive income for the year:	-	-
Total comprehensive (loss) / profit for the year	**(809,121)**	5,196

The annexed notes from 1 to 24 form an integral part of these financial statements.

Chief Executive

Director

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2016

		2016	2015
		Rupees	*Rupees Restated*
A.	***CASH FLOW FROM OPERATING ACTIVITIES***		
	Loss before taxation	**(1,031,447)**	(119,690)
	Adjustments for:		
	Depreciation	**211,554**	244,594
	Impairment loss on fixed assets	**170,843**	-
	Liabilities written back	**(948,931)**	-
	Financial charges	**500**	1,100
		(566,034)	245,694
	Cash (outflow) / inflow before working capital changes	**(1,597,481)**	126,004
	Working Capital Changes		
	(Increase) / decrease in current assets		
	Stock-in-trade	**806,265**	(120,769)
	Trade debts	**106,536**	-
		1,512,396	(120,769)
	Increase in current liabilities		
	Trade and other payables	**70,000**	52,325
	Cash (used in) / generated from operations	**(15,085)**	57,560
	Financial charges paid	**(500)**	(1,100)
	Net cash (used in) / generated from operating activities	**(15,585)**	56,460
B.	***CASH FLOWS FROM INVESTING ACTIVITIES***	**-**	-
C.	***CASH FLOWS FROM FINANCING ACTIVITIES***		
	Short term borrowings received / (repaid)	**18,930**	(55,500)
	Net cash generated from / (used in) financing activities	**18,930**	(55,500)
	Net increase in cash and cash equivalents	**3,345**	960
	Cash and cash equivalents at beginning of year	**13,125**	12,165
	Cash and cash equivalents at end of the period ended	**16,470**	13,125

The annexed notes from 1 to 24 form an integral part of these financial statements.

Chief Executive ***Director***

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2016

	Issued, subscribed and paid up capital	***Accumulated losses***	***Total***
	----------- ***Rupees*** --------------		
Balance as at June 30, 2014 - before restatement	23,228,000	(62,462,718)	(39,234,718)
Effect of restatement - unrecognized deferred tax (note 8.1)	-	(1,538,324)	(1,538,324)
Balance as at June 30, 2014 - restated	**23,228,000**	**(64,001,042)**	**(40,773,042)**
Total comprehensive income for the year - restated	-	5,196	5,196
Balance as at June 30, 2015 - restated	**23,228,000**	**(63,995,846)**	**(40,767,846)**
Total comprehensive loss for the year	-	**(809,121)**	**(809,121)**
Balance as at June 30, 2016	**23,228,000**	**(64,804,967)**	**(41,576,967)**

The annexed notes from 1 to 24 form an integral part of these financial statements.

Chief Executive

Director

1 THE COMPANY AND ITS OPERATIONS

1.1 The company was incorporated on April 7, 1981 by the name of Pak German Prefabs Limited (PGPL) as Public Limited Company, listed on Karachi Stock Exchange Limited (now the Pakistan Stock Exchange Limited - PSX). However, during the financial year 2005, the Company changed its name to Dadabhoy Construction Technology Limited after the merger with its associated company. The principal activity of the Company is to manufacture and sell the sealing chemicals / bonds used in the construction including Hi Bond Cement and allied products. The company's registered office is situated at Suite # 4, 2nd Floor, Plot no. 28-30 / C, Noor Centre, Khayaban-e-Ittehad, Lane no.12, Phase VII, D.H.A., Karachi.

Trading in shares of the Company was suspended by the Stock Exchanges on August 01, 2012 due to non compliances with respect to PSX regulations.

1.2 Going Concern Assumption:

During the current year, the Company has incurred after tax loss amounting to Rs. 0.81 (2015: Rs. 0.01 - profit) million rising its accumulated losses to Rs. 64.8 (2015: Rs. 64) million resulting in the negative shareholders' equity to Rs. 41.58 (2015: Rs. 40.77) million. Further, the current liabilities of the Company exceed the current assets by Rs. 44.42 (2015: Rs. 43.86). The operations of the Company are very slow since financial year 2014 and reporting only meager sales due to which the Company is facing financial and operational difficulties and is unable to discharge its liabilities in due course of business. The operations of the Company are directly dependent upon the operations of its associated company, Dadabhoy Cement Industries Limited (DCIL), which is the major customer of the Company and is facing the financial and operational problems and its operations are also closed.

The management of the Company has prepared these financial statements on going concern basis due to the following reasons:

a. Subsequent to year end, Company intends to issue shares to the respective Directors against their loans, in respective proportions, subject to the approval of members and fulfillment of other secretarial compliances. This would result in wiping off the negative shareholders' equity and would improve the overall financial outlook of the Company.

b. During the current year, DCIL has entered into an agreement with a renowned Chinese firm, which has taken interest in the refurbishment and "Operations and Maintenance (O & M)" of the existing plant of DCIL and for setting up a new cement plant with the capacity of 5,000 tones per day. Necessary financing for the project will be arranged by the firm, on behalf of DCIL, from Chinese financial institutions for which the negotiations are at the final stages.

Management of DCIL is confident that the planned work of refurbishment at plant will be commenced by the end of June 30, 2017. Considering these factors, the management of the Company has prepared these financial statements on going concern basis as the revival of DCIL will help the Company to recommence its operations.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except otherwise disclosed in these financial statements. Further, accrual basis of accounting is followed except for cash flow information.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standard as, applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows: -

Property and equipment

The Company’s management determines the estimated useful lives and related depreciation charge for its property and equipment. This also includes estimating the residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding affect on the depreciation charge and impairment (if any).

Trade debts

The Company reviews its trade debts against any provision required for any doubtful balances on a on-going basis. The provision is made while taking into consideration expected recoveries, if any.

2.5 New / revised standards that became effective for

The following new / revised standards are effective for the year ended June 30, 2016. These standards are, either not relevant to the company's operations or are not expected to have significant impact on the company's financial statements other than certain additional disclosures:

- IFRS 10 'Consolidated Financial Statements'
- IFRS 11 'Joint Arrangements'
- IFRS 12 'Disclosure of Interests in Other Entities'
- IAS 27 (Revised 2011) 'Separate Financial Statements'
- IAS 28 (Revised 2011) 'Investments in Associates and Joint Ventures'

IFRS 13 'Fair Value Measurement' also became effective in the current year. IFRS 13 consolidates the guidance on how to measure fair value, which was spread across various IFRSs, into one comprehensive standard. It introduces the use of an exit price, as well as extensive disclosure requirements, particularly the inclusion of non-financial instruments into the fair value hierarchy. The application of IFRS 13 did not have an impact on the financial statements of the company, except for certain additional disclosures.

2.6 Amendments to published approved accounting standards that are not yet effective

The following amendments to approved accounting standards are effective for accounting periods beginning on or after the date mentioned against each of them. These amendments are either not relevant to the company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective Date (accounting periods beginning on or after)
- Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions	January 1, 2018
- Amendments to IFRS 10 'Consolidated Financial Statements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' - Applying the consolidation exception	January 1, 2016
- Amendments to IFRS 11 'Joint Arrangements' - Amendments regarding the accounting for acquisitions for an interest in a joint venture	January 1, 2016
- Amendments to IAS 1 'Presentation of Financial Statements' - Amendments as a result of the disclosure initiative	January 1, 2016
- Amendments to IAS 7 'Statement of Cash Flows' - Amendments as a result of the disclosure initiative	January 1, 2017
- Amendments to IAS 12 'Income Taxes' - Recognition of deferred tax assets for unrealized losses	January 1, 2017

-	Amendments to IAS 16 'Property, Plant and Equipment' and IAS 38 'Intangible Assets' - Clarification of acceptable methods of depreciation and amortization	January 1, 2016
-	Amendments to IAS 16 'Property, Plant and Equipment' and IAS 41 'Agriculture' - Bearer plants	January 1, 2016
-	Amendments to IAS 27 'Separate Financial Statements' - equity method in separate financial statements	January 1, 2016

2.7 In addition to the above, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

- IFRS 1 - First Time Adoption of International Financial Reporting Standards
- IFRS 9 - Financial Instruments
- IFRS 14 - Regulatory Deferral Accounts
- IFRS 15 - Revenue from Contracts with Customers
- IFRS 16 - Leases

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and equipment

Owned

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land which is stated at cost. Depreciation is charged on all assets using the reducing balance method at the rates stated in note 4.

Depreciation on addition is charged from the month in which the assets are put to use while no depreciation is charged in the month in which the assets are disposed.

Gains and losses on sale of fixed assets are included in profit and loss, except that is related to surplus on revaluation of fixed assets (net of deferred taxation), is transferred directly to accumulated profit.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Whenever the carrying amount of these assets exceed their recoverable amount, an impairment loss is recognized in the profit and loss account.

3.2 Stock-in-trade

Stock -in-trade, except for stock -in- transit, are valued at the lower of cost and net realizable value.

Methods used to determine cost are:

-	Raw material	First-in-first-out
-	Finished Goods	Average manufacturing cost
-	Goods in transit	Cost plus expenses incurred thereon

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make a sale.

3.3 Trade debts

Trade debts are carried at original invoice amount less provision made for doubtful receivable balances, if any. Debts are written off when identified as irrecoverable.

3.4 Cash and cash equivalents

It comprises of cash in hand and cash at banks which are carried at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash at banks.

3.5 Trade and other payables

Liabilities for trade and other payables are stated at their nominal values which is the fair value of the consideration required to settle the related obligations.

3.6 Taxation

Current

Provision for taxation is determined in accordance with the provisions of Income Tax Ordinance, 2001.

Deferred

Deferred tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

The Company recognizes a deferred tax asset only to the extent that it is probable that future taxable profit for the foreseeable future will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.7 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.8 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sale and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization. if no impairment loss had been recognized.

3.9 *Financial instruments*

All financial assets and liabilities are initially measured at fair value, and subsequently measured at fair value or amortized cost as the case may be. The Company derecognizes the financial assets and financial liabilities when it ceases to be a party to such contractual provisions of the instruments.

3.10 *Off setting of financial assets and financial liabilities*

Financial assets and financial liabilities offsets each other and the net amount is reported in the balance sheet if the Company has a legal enforceable right to set off the transaction and also intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.11 *Dividend and appropriation to reserves*

Dividend and appropriations to reserves are recognized in the statement of changes in equity in the period in which theses are approved.

		2016	2015
4	***PROPERTY AND EQUIPMENT***	**Rupees**	Rupees
	Operating fixed assets - tangible	**4,034,597**	4,416,994

4.1 *Operating fixed assets - tangible*

Description	As at June 30, 2016								
	Cost as at July 01, 2015	Impairment	Cost as at June 30, 2016	Rate %	Accumulated depreciation as at July 01, 2015	Impairment	Depreciation for the year	Accumulated depreciation as at June 30, 2016	WDV as at June 30, 2016
	- - - - - - - - - - - - (Rupees)- - - - - - - - - - - -				- - - - - - - - - - - - (Rupees)- - - - - - - - - - - -				
Owned Assets									
Freehold land	**192,300**	**-**	**192,300**	**0**	**-**	**-**	**-**	**-**	**192,300**
Building on freehold land	**13,595,922**	**-**	**13,595,922**	**5**	**9,718,409**	**-**	**193,876**	**9,912,285**	**3,683,637**
Tools and equipment	**1,393,810**	**-**	**1,393,810**	**10**	**1,256,121**	**-**	**13,769**	**1,269,890**	**123,920**
Steel shuttering	**1,682,875**	**-**	**1,682,875**	**25**	**1,682,580**	**-**	**74**	**1,682,654**	**221**
Furniture and fixtures	**1,425,457**	**(1,075,000)**	**350,457**	**10**	**1,269,456**	**(957,353)**	**3,835**	**315,938**	**34,519**
Computer and accessories	**112,303**	**(112,303)**	**-**	**33**	**109,606**	**(109,606)**	**-**	**-**	**-**
Motor vehicle	**664,942**	**(664,942)**	**-**	**20**	**658,874**	**(658,874)**	**-**	**-**	**-**
Electric installation	**97,373**	**(97,373)**	**-**	**10**	**52,942**	**(52,942)**	**-**	**-**	**-**
2016	**19,164,982**	**(1,949,618)**	**17,215,364**		**14,747,988**	**(1,778,775)**	**211,554**	**13,180,767**	**4,034,597**

Description	Cost as at July 01, 2014	Addition	Cost as at June 30, 2015	Rate %	Accumulated depreciation as at July 01, 2014	Impairment	Depreciation for the year	Accumulated depreciation as at June 30, 2015	WDV as at June 30, 2015
	As at June 30, 2015								
	------------ (Rupees)-----------				------------ (Rupees)-----------				
Owned Assets									
Freehold Lands	192,300	-	192,300	0	-	-	-	-	192,300
Building on freehold lands	13,595,922	-	13,595,922	5	9,514,329	-	204,080	9,718,409	3,877,513
Tools and equipment	1,393,810	-	1,393,810	10	1,240,822	-	15,299	1,256,121	137,689
Steel shuttering	1,682,875	-	1,682,875	25	1,682,482	-	98	1,682,580	295
Furniture and fixtures	1,425,457	-	1,425,457	10	1,252,122	-	17,334	1,269,456	156,001
Computer and accessories	112,303	-	112,303	33	108,277	-	1,329	109,606	2,697
Motor vehicle	664,942	-	664,942	20	657,357	-	1,517	658,874	6,068
Electric installation	97,373	-	97,373	10	48,005	-	4,937	52,942	44,431
2015	19,164,982	-	19,164,982		14,503,394	-	244,594	14,747,988	4,416,994

4.2 *Depreciation for the year has been allocated as follows.*

	Note	***2016*** ***Rupees***	*2015* *Rupees*
Cost of sales	13	**207,719**	219,477
Administrative expenses	14	**3,835**	25,117
		211,554	244,594

	2016 Rupees	2015 Rupees
5 STOCK-IN-TRADE		
Raw materials	-	610,655
Finished goods	-	195,610
	-	806,265

	2016	2015
6 TRADE DEBTS		
Considered good	-	106,536
Considered doubtful	**400,945**	400,945
	400,945	507,481
Less: provision against doubtful debts	**(400,945)**	(400,945)
	-	106,536

7 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares 2016	Number of shares 2015		2016 Rupees	2015 Rupees
		Ordinary shares of Rs. 10 each		
1,129,500	1,129,500	Fully paid in cash	**11,295,000**	11,295,000
1,065,800	1,065,800	Issued for consideration other than cash	**10,658,000**	10,658,000
127,500	127,500	Issued as fully paid bonus shares	**1,275,000**	1,275,000
2,322,800	2,322,800		**23,228,000**	23,228,000

7.1 823,769 (2015: 823,769) Ordinary shares of Rs. 10 each are held by the associated company - Dadabhoy Trading Corporation (Pvt.) Limited as at the year end, representing 35.46% of the total shareholding of the Company.

7.2 1,065,800 shares issued in prior years to the Directors against their loans given to the Company.

	2016 Rupees	2015 Rupees Restated
8 DEFERRED TAX LIABILITY		
Deferred tax liability comprises of taxable temporary differences in respect of the following: -		
Accelerated tax depreciation	**1,191,112**	1,413,438

8.1 CORRECTION OF PRIOR PERIOD ERROR:

Deferred tax expense was not recognized in prior years as per the requirements of IAS - 12. This was an inadvertent error on the part of management which has been rectified in the current financial year by restating the comparative figures and opening accumulated losses of the corresponding period.

	2016 Rupees	2015 Rupees
9 TRADE AND OTHER PAYABLES		
Creditors	**658,033**	1,508,033
Accrued expenses	**173,267**	182,198
	831,300	1,690,231

		Note	***2016***	*2015*
			Rupees	*Rupees*

10 SHORT TERM BORROWINGS

- From Related Parties - unsecured

	Note	2016 Rupees	2015 Rupees
- From Directors	10.1	**43,455,450**	43,436,520

10.1 These loans are unsecured, interest free and payable on demand. These have been given by the related parties to facilitate the Company for fulfilling its operational and financial obligations. The treatment has been done in accordance with the guidelines given under Technical Release (TR) 32 "Accounting Directors' Loan" as issued by the Institute of Chartered Accountants of Pakistan (ICAP).

Furthermore, Company intends to issue shares to the respective directors, subsequent to year end, against their loans subject to the approval of members and fulfillment of other secretarial compliances.

11 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments binding on the Company as on the balance sheet date.

	2016 Rupees	*2015 Rupees*
12 SALES	**331,281**	824,469

12.1 The Company was de-registered from the sales tax as per the rules envisaged under the Sales Tax Rules, 2005, promulgated through S.R.O. 533 (1) / 2005, due to non compliances with respect to Sales Tax Act, 1990 and the rules made thereunder.

12.2 Reason for the reduction in sales:

The tremendous reduction in sales is due to the cost disadvantage for the Company as the Company uses imported chemical locally purchased to meet the quality standards while the competitors in the market use locally manufactured low quality chemical.

13 COST OF SALES

	Note	***2016 Rupees***	*2015 Rupees*
Opening stock of raw material		**610,655**	513,365
Purchases		**116,955**	289,177
Less: closing stock of raw material	5	**-**	(610,655)
Raw material consumed		**727,610**	191,887
Salaries, wages and other benefits		**43,616**	237,170
Factory rent		**50,000**	88,000
Other manufacturing overheads		**42,915**	47,497
Depreciation	4.2	**207,719**	219,477
Cost of goods produced		**1,071,860**	784,031
Opening stock of finished goods		**195,610**	172,131
Cost of goods available for sale		**1,267,470**	956,162
Less: closing stock of finished goods	5	**-**	(195,610)
		1,267,470	760,552

	Note	2016 Rupees	2015 Rupees
14 ADMINISTRATIVE EXPENSES			
Printing and stationery		-	1,250
Fees and subscription		-	9,870
Rent, rates and taxes		-	3,135
Professional charges		**62,850**	10,000
Conveyance		**3,500**	800
Vehicles repairs and maintenance		-	8,915
Repairs and maintenance		-	13,000
Travel and entertainment		**4,740**	-
Water charges		**7,490**	-
Office expenses		**4,300**	-
Depreciation	4.2	**3,835**	25,117
		86,715	72,087

15 OTHER OPERATING EXPENSES

	Note	2016 Rupees	2015 Rupees
Auditors' remuneration	15.1	**70,000**	50,000
Impairment loss on fixed assets		**170,843**	-
Debts written off	6	**106,536**	54,120
Security deposits written off		**108,000**	-
Advance tax written off		**491,595**	-
		946,974	104,120

15.1 Auditors' Remuneration

Audit fees	**50,000**	50,000
Review of Code of Corporate Governance	**15,000**	-
Out of pocket	**5,000**	-
	70,000	50,000

16 OTHER INCOME

Income from other than financial assets

Liabilities written back	**948,931**	-

17 TAXATION	Note	2016 Rupees	2015 Rupees Restated
Current	17.1	-	-
Deferred	8.1	**(222,326)**	(124,886)
		(222,326)	(124,886)

17.1 The Company is not liable to current tax, including minimum tax, on account of gross loss.

17.2 Income Tax Returns of the Company have been finalized up to and including the tax year 2015 which are considered to be the deemed assessment subject to amendment u/s 122 of the Income Tax Ordinance, 2001.

		2016	2015
		Rupees	Rupees

18 (LOSS) / PROFIT PER SHARE

- Basic and Diluted

	2016	2015
(Loss) / profit after taxation	**(809,121)**	5,196
Weighted average number of ordinary shares outstanding	**2,322,800**	2,322,800
(Loss) / profit per share - basic and diluted	**(0.348)**	0.002

19 REMUNERATION TO CHIEF EXECUTIVE OFFICER AND DIRECTORS

In view of the current operational and financial position of the Company, the Directors of the Company have voluntarily waived their remuneration.

20 TRANSACTIONS WITH RELATED PARTIES

20.1 The related parties comprise of group companies (associated companies), Directors and their close family members, executives, major shareholders of the Company. The transactions with related parties are as follows:

	Note	**2016 Rupees**	2015 Rupees
Loan received from / (repaid to) Directors - net		**18,930**	(55,500)

20 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	**2016**	2015
Financial Assets			
- Loans and receivables at amortized cost			
Long term security deposits		**-**	108,000
Trade debts	6	**-**	106,536
Bank balances		**16,470**	13,125
		16,470	227,661
Financial Liabilities			
- At amortized cost			
Security deposit from dealers		**-**	20,000
Trade and other payables	9	**728,033**	1,586,964
Short term borrowings	10	**43,455,450**	43,436,520
		44,183,483	45,043,484

21 *FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES*

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest / mark-up rate risk and price risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

21.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fails to meet its contractual obligation and it mainly arises from balances with banks and financial institutions, trade debts, loans, advances, deposits and other receivables. The credit risk on liquid fund is limited because the counter parties are banks with reasonably high credit ratings.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk before any provisions at the reporting date is:

	2016	*2015*
	Rupees	*Rupees*
Long term security deposits	**-**	108,000
Trade debts	**-**	106,536
Bank balances	**16,470**	13,125
	16,470	227,661

Quality of financial assets

The Company keeps its fund with banks having good credit ratings. Currently the funds are kept with a bank having rating of A-1.

21.2 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with the financial liabilities as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or at the risk of Company's reputation. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to fulfill its obligation, monitoring balance sheet liquidity ratios against internal and external requirements and maintaining debt financing plans.

Following are the contractual maturities of the financial liabilities:

	2016				
	Carrying amount	***Contractual cash flows***	***Six months or less***	***Six to twelve months***	***More than twelve months***
	- - - - - - - - - -	- - - - - - - - - -	***(Rupees)***	- - - - - - - - - -	- - - - - - - - - -
Financial Liabilities					
Security deposit from dealers	-	-	-	-	-
Trade and other payables	**728,033**	**728,033**	**728,033**	-	-
Short term borrowings	**43,455,450**	**43,455,450**	-	**43,455,450**	
	44,183,483	**44,183,483**	**728,033**	**43,455,450**	-

	2015				
	Carrying amount	*Contractual cash flows*	*Six months or less*	*Six to twelve months*	*More than twelve months*
	- - - - - - - - - -	- - - - - - - - - -	*(Rupees)*	- - - - - - - - - -	- - - - - - - - - -
Financial Liabilities					
Security deposit from dealers	20,000	20,000	-	-	20,000
Trade and other payables	1,586,964	1,586,964	1,586,964	-	-
Short term borrowings	43,436,520	43,436,520	43,436,520	-	-
	45,043,484	45,043,484	45,023,484	-	20,000

21.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is not exposed to any foreign exchange risk, interest rate risk and other price risk as at the balance sheet date.

21.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The carrying values of all the financial assets and liabilities reported in the financial statements approximate their fair values.

21.5 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances. The Company finances its expansions projects through equity, borrowings and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk and maximizing profitability.

The Company monitors capital using a gearing ratio, which is net debt divided by total shareholders equity plus net debt. Net debt is calculated as total loans and borrowings from banking companies including any finance cost thereon, less cash and bank balances. The Company's strategy is to maintain leveraged gearing. Since the Company has not taken any loan or borrowings from financial institutions, hence its gearing ratio is nil as on the balance sheet date.

22 CORRESPONDING FIGURES

Corresponding figures have been re-arranged / reclassified, whenever necessary, for the purpose of compliance, comparison and better presentation. Major changes made during the year are as follows:

Reclassification from the caption component	*Reclassification to the caption component*	*Note*	*Amount (Rs.)*
Trade and other payables	**Trade and other payables**		
Withholding tax payable	Accrued expenses	9	**103,267**

23 GENERAL

- Figures have been rounded-off nearest to the rupee unless stated otherwise.

- Number of employees as on the balance sheet date and average number of employees during the year were 1 (2015: 4) and 2 (2015: 2).

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorized for issue on 02 January 2017 by the Board of Directors of the Company.

Chief Executive *Director*

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

PATTERN OF SHAREHOLDING
AS ON 30TH JUNE, 2016

NO. OF SHAREHOLDERS	SHAREHOLDING		TOTAL SHARES HELD
	FROM	TO	
692	1	100	52,360
285	101	500	79,890
266	501	1,000	150,710
45	1,001	5,000	86,950
4	5,001	10,000	24,510
1	10,001	15,000	10,780
1	15,001	20,000	19,500
1	35,001	40,000	38,697
1	140,001	145,000	140,250
3	160,001	165,000	486,420
1	200,001	205,000	203,784
1	205,001	210,000	205,730
1	820,001	825,000	823,219
1302			2,322,800

Catagories of Shareholders	No. of Shareholders	Shares Held	Percentage %
Individuals	1,297	1,347,921	58.03
Others	1	80	0.00
Investment Companies	1	10,780	0.46
Joint Stock Companies	2	823,769	35.46
Financial Institutions	1	140,250	6.04
	1,302	2,322,800	100.00

INFORMATION AS REQUIRED UNDER CODE OF CORPORATE GOVERNANCE
AS ON 30-06-16

SHAREHOLDERS CATEGORY	SHAREHOLDING
OTHERS	
N.H. SECURITIES (PVT) LTD.	80
INVESTMENT COMPANIES	
INVESTMENT CORPORATION OF PAKISTAN	10,780
JOINT STOCK COMPANIES	
DADABHOY TRADING CORPORATION (PVT) LTD	823,219
DADABHOY CEMENT INDUSTRIES LTD	550
FINANCIAL INSTITUTIONS	
NATIONAL BANK OF PAKISTAN	140,250
SHAREHOLDERS HOLDING 10% OR MORE VOTING INTEREST	
DADABHOY TRADING CORPORATION (PVT) LTD	823,219
	1,134,929

DIRECTORS	
MR. MOHAMMAD HUSSAIN DADABHOY	54,050
MR. MOHAMMAD AMIN DADABHOY	258,380
MR. FAZAL KARIM DADABHOY	256,434
MRS HUMAIRA DADABHOY	163,385
MRS YASMEEN DADABHOY	162,985
MRS. NOOR BAKHT DADABHOY	700
MR. DANISH DADABHOY	500
	896,434

DADABHOY CONSTRUCTION TECHNOLOGY LIMITED

THIRTY FIVE ANNUAL GENERAL MEETING 2016

FORM OF PROXY

I / We ____

Of____being

A member of DADABHOY CONSTRUCTION TECHNOLOGY LIMITED and holder of _________ Ordinary Shares as per registered Folio No. ____________ Hereby appoint ____
Or failing him ____
Of ____
Vide Registered Folio No. ____

As my / our proxy to vote for me/us and on my/our behalf at the Thirty Five Annual General Meeting of the Company to be held on 02nd January 2017 and at any adjournment thereof.

Signed my me/us this ___________________ day of ____________ 2017

Signed by the Shareholders

____

Important :

This form of Proxy duly complete must be deposited at the Company's

Registered Office, Noor Centre Office No. 4, 2nd Floor, Plot No.30-C Ittehad Lane 12 Phase VII, D.O.A.H., Karachi. Not later then 48 hours before the time of holding the meeting.
A proxy should also be a shareholder of the Company.

Five Rupees Revenue Stamps

For Office use